Four Corners Air Quality Task Force Power Plant Work Group Conference Call October 11, 2006 2:00 pm – 3:00 pm

Participants

Mark Jones, NMED; Theodore Mueller, Ret. Professor Adams State University – Aztec; Mark McMillan, CDPHE; David Ruger, Honeywell; Carla Sontag, NMUSA; Marilyn Brown, LWV; Leona Conger LWV; Kelly Palmer, FS; Nathan Plagens, Sithe Global

<u>Agenda</u>

- 1. Review 1st Round mitigation options and TOC for existing, proposed, and overarching categories. Discuss review guidelines.
- 2. Get help for drafting teams for 4 options that were not written.
- 3. Are there other options from round 1 categories that we want to brainstorm?
- 4. Create Brainstorm list for next round 2, Alternative Energy, Energy Efficiency and Conservation.
- 5. Next Meeting will be face-to-face meeting in Farmington, NM on Nov. 8, 2006
- 6. We may meet with Other Sources Group for first hour of task force meeting to hear a short presentation? and brainstorm cross-over options relating to round 2 categories.

Review 1st Round mitigation options and TOC for existing, proposed, and overarching categories. Discuss Review Guidelines

Has everyone had a chance to look at the Draft Task Force Report? Our latest version is version 3. And in this version in addition to the Oil and Gas Mit Options, we have 25 draft options for the Power Plant Work Group

Task Force Members and Interested Parties encouraged to review and add expansion paragraphs / Differing Opinion Paragraphs. See Draft Task Force Report and Review Guidelines on Mitigation Options Page: http://www.nmenv.state.nm.us/aqb/4C/DraftTaskForceReport.html

We are also making CDs, which if requested, will be provided at the next meeting Nov 8, 2006.

We went through latest Version 3 Draft Task Force Report Table of Contents (TOC) and discussed the possibility of adding more mitigation options to the Power Plant Work Group subcategories. We decided to move the Overarching Energy Conservation sub-category to the next round 2. There may be some other reorganization needed.

Go over 4 options in Draft Task Force Report [V.3] TOC that are not yet written.

Mark to work with Dave R. Jeff Robinson, Susan Johnson, and existing power plant reps on Advanced NOx Control BOC LoTOx System for Control of NOx Emissions and baghouse installation option. Mark M. agreed to follow-up on Mercury emissions control and research options. Dave R to expand and develop advanced software controls section.

Round 1 Power Plant Work Group Mitigation Option categories: existing, proposed, and overarching can be further developed with comments/review and new mitigation option papers at any time in the Task Force drafting process. Current version of Draft Task Force Report and Review Guidelines are available on 4CAQTF mitigation options page: http://www.nmenv.state.nm.us/aqb/4C/DraftTaskForceReport.html

Begin to brainstorm for 2nd Round options: Categories Alternative Energy, Energy Efficiency & Conservation

I. ALTERNATIVE ENERGY

Sub-categories Gas Cogeneration Plants, Renewable Energy. Renewable Energy Policy Options Gas Cogeneration Plants: Use of Gas Turbine Cogeneration Coal gasification for use as Syngas

Renewable Energy: Wind energy, Water Power, Solar Energy, Geothermal energy, Biofuels

Renewable Energy Policy Options:

Renewable Energy Credits

Energy Efficiency/Renewable Energy Credits

Description: EE/RE Credits --- Colorado is presently reviewing the use of energy efficiency and renewable energy as part of environmental permitting process for stationary sources. In principle, facilities implementing activities that lead to energy efficiency and rely upon renewable energy can receive additional incentives/flexibility in their State air quality permits. This might be a model that could be applied to other facilities in the Four Corners area [MM]

Renewable Energy Portfolios --- Renewable Portfolio Standards

Description: The Renewable Portfolio Standard (RPS) is a flexible, market-driven policy that can ensure that the public benefits of wind, solar, biomass, and geothermal energy continues to be recognized as electricity markets become more competitive. The policy ensures that a minimum amount of renewable energy is included in the portfolio of electricity resources serving a state or country, and --- by increasing the required amount over time --- the RPS can put the electricity industry on a path toward increasing sustainability. Because it is a market standard, the RPS relies almost entirely on the private market for its implementation. (Colorado does require some renewable portfolio standards as part of a citizen referendum.) Market implementation will result in competition, efficiency and innovation that should deliver renewable energy at the lowest possible cost. Facilities in the Four Corners area should begin developing their own portfolios. [MM]

II. ENERGY EFFICIENCY VISTAS

San Juan County initiatives

III. ENERGY CONSERVATION

Energy Conservation by Energy Utility Customers [MB]

*suggestion made to cover options focused on power plants/utility providers as well as consumers

Action Items

- Task Force Members and Interested Parties to help put together a list of ideas for this round 2 of options. And send to Mark Jones. Then we can compile list and being developing drafting teams for the possible mitigation options.
- Let Mark Jones know if you would like CDs of the Current Task Force Report for Reviewing. 1 CD requested
- Please send review comments Expansion paragraphs / Disagreeing Opinions to work group coordinators. Deadline for inclusion of comments in this round is Wed. October 18.

<u>Next</u>

- Next Meeting will be face-to-face meeting in Farmington, NM on Nov. 8, 2006 at the Marriott Convention Center from 1-6 PM.
- We plan to meet with Other Sources Work Group for first hour of task force breakout session to hear a short presentation and brainstorm cross over options relating to round 2 renewable energy, alternative energy, energy efficiency and conservation categories.
- Brainstorm list 2 is being developed
- We will have a plenary presentation on Renewable Energy and Energy Efficiency by Public Policy Representative, Mike D'Antonio, PNM.
- We will have a field trip to the Milagro Cogeneration plant Thurs. Nov 9, from 10:30 1 PM.